(b) if so, the details thereof; and

(c) what incentives are being extended to the producers of handmade paper in the State?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA): (a) Yes, Sir.

(b) A project for establishment of a Common Facility Centre (CFC) for promotion of handmade paper industry in the district of Mahboobnagar has been taken up under UNDP-KVIC Project. The CFC is expected to serve the common needs of local handmade paper manufacturing units for enhancing their production, quality control marketing and also to develop new entrepreneurs by imparting training for establishment of handmade paper units in the state.

(c) The following incentives are available to the handmade paper producers all over the country, including Andhra Pradesh:—

(i) Excise Exemption.

(ii) Margin Money Subsidy under Rural Employment Generation Programme (REGP).

**Subsidies to Khadi producers**

756. SHRI SANTOSH BAGRODIA: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) the production capacity and demand of Khadi;

(b) what steps have been taken by government to promote its export; and

(c) whether there is any plan to provide subsidies to the Khadi producers?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA): (a) The production capacity and demand of Khadi Industry as on 31-3-2001 is as under:

| Sl.No. Estimated Production | CapacityActual | Producton Reported |
|---|---|---|
| 1. Yam-Qty (Million Kgs) | 2.% | 2.59 |
| Value(Rs. inCrores) | 183.60 | 192.94 |
| 2 Cloth-Qty (Million Sq. Mtrs.) | 7.41 | 7.53 |
| Value (Rs. inCrores) | 45933 | 465.17 |

Demand of Khadi Industry—Rs. 570.55 crores

(b) For the development and promotion of Khadi and Village Industries in the country, including promotion of export of KVI products, the Government of India announced a package for the Khadi and Village Industries sector on 14.05.2001. The main features of this package consist of a Rebate Policy for five years, option of Rebate and Market Development Assistance (MDA), Insurance cover to Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities, measures to promote marketing, brand building, cluster development etc.

(c)No plan is under consideration to provide subsidies to Khadi produers.

**Loans to unemployed youths to promote Khadi**

†757. SHRIMATI SAVITA SHARDA: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether Government are formulating any scheme to provide loans to unemployed persons to promote Khadi;

(b) if so, the comprehensive details thereof and by when the same is likely to be implemented; and

(c)if not, in what manner Government propose to promote "Khadi"?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA): (a) No, Sir.

(b) Does not arise.

(c) The Government of India has announced a package for the promotion of Khadi and Village Industries Sector on 14th May, 2001, with the prime objective of creating more jobs in rural areas and empowering the women and backward classes. The main features of the package comprise of a rebate policy for five years, option of Rebate or Market Development Assistance (MDA), Insurance cover to Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities measures to promote marketing brand building and cluster development.

**Recruitments in KVIC**

758. SHRI ABANI ROY: Will the Minister of AGRO AND-RURAL INDUSTRIES be pleased to state:

(a) whether Chairman of KVIC has recently appointed about 40 'Khadi Experts' ignoring all perscribed Government norms;

(b) if not, what criteria/norms were fixed in each case;

(c) whether the Chairman has got unfettered powers to make such recruitment;

†Original notice of the question was received in Hindi.